

ESB 6713
Making Voluntary Payroll Reductions
Senate Floor Action

February 16, 2002

Olympia, Washington

Tape 1, side A

PRESIDENT: Amendment number 558, the secretary will read.

SECRETARY: By Senator Gardner. On page 2 on line 10 after employee insert:
The employee may revoke the request at any time. At least annually the employee shall be notified about the right to revoke the request.

PRESIDENT: Senator Gardner.

GARDNER: Thank you Mr. President. I move adoption of amendment 558.

PRESIDENT: Senator Gardner moves that the amendment be adopted. Senator Gardner.

GARDNER: Thank you. We want to make it very clear to the employee that they have the opportunity to cancel their political contribution deduction at any time. We want the employer to notify them at least once a year that they have this privilege. This is the same as on charitable donations, U.S. Savings Bonds, whatever is being deducted from the check. So the employer will now tell, with the passage of this amendment, the employer will now tell the employee that they may cancel it at any time. That there is no penalty for failure to make a political contribution and that they cannot be discriminated against and this happens every year. I think this is a good clarifying amendment. It makes it perfectly clear that this option is available at any time. Thank you.

PRESIDENT: Senator Carlson.

CARLSON: Thank you Mr. President. I am very please that the Senators from the 24th and the 42nd districts worked with me in proposing this

amendment. I have been caught in an organization that required my membership for 31 years. Some of those years in the latter part of the last 15-20 years of my career there was the option, really was required every year. It was referred to as a negative check off. If you didn't remember that you didn't want to make a deduction to a political contribution it was taken out automatically. This amendment provides the opportunity for people to be reminded that there is a deduction. If they don't want to do it they don't have to do it. Further, if that deduction has begun they will have the opportunity to stop that at any time. So I am pleased with the amendment and hope you support it.

PRESIDENT:

Senator Zarelli.

ZARELLI:

Thank you Mr. President. Actually I am going to rise again. We don't want to pay the employer to take care of the privilege of the choice of the employee. Now we want to put the burden in this amendment on the employer to notify the employee that they have this right. The employer doesn't gain anywhere in this process. Why are we putting all of the burdens on the employer to do everything? Why don't we put the responsibility on the recipient of the gain? If somebody wants to have a dollar taken out of their paycheck for political purposes put the responsibility on the recipient of that political dollar to notify its members in writing or some other way that they have a right to say no. Why are we doing this to the employer? Maybe this in the end is a better thing but again its not the employers responsibility to take out the money and mail the check nor is it the employers responsibility to tell the employee that they have this right. Yet we're putting this burden on them. I would say no to this amendment.

PRESIDENT: Senator Gardner.

GARDNER: Thank you, madam, Mr. President. I did see Senator Franklin leave some time ago. The federal government requires many notifications, notifications about health plans, notifications about pension plans. In addition almost all employers send out annual booklets about charitable donations that can be made through payroll deductions. You usually get some kind of a flyer at least once a year to offer U.S. Savings Bonds. I don't think that this is a problem. This is automatically generated. It goes automatically to the employees. It's just one more line on a notification. It is no burden to the employer at all. It's just a good reinforcement of the fact that the employee has the opportunity to stop his contribution, his voluntary contribution, anytime he wants to. Thank you.

PRESIDENT: Senator Hochstatter.

HOCHSTATTER: Thank you Mr. President. Would Senator Gardner yield to a question?

PRESIDENT: Senator Gardner will you yield?

GARDNER: Yes.

HOCHSTATTER: Thank you Senator Gardner. I see political contributions as the IRS is not a government entity, does that constitute a political organization and can I request that they no longer pester me under this amendment?

GARDNER: I think free speech still prevails Senator Hochstatter and you can ask them for anything I'm just not sure that they are going to comply.

PRESIDENT: Senator Honeyford.

HONEYFORD: Thank you Mr. President. Ladies and Gentleman of the Senate I think this is a very good common sense amendment. Having

worked in situations where this applied we would get a card in our mailbox and ask if we wanted to continue our contribution, just check yes, if we didn't we could throw it away. The same thing we'd get a card from United Way how much we wanted to contribute we check yes and write down the amount and every year they would do that. So this is a perfectly logical, sensible solution. I urge you to vote yes.

PRESIDENT:

Senator West.

WEST:

Thank you Mr. President. I just want to make it clear that this isn't an opt in amendment. This is simply a notification that if you want to you can opt out. So it does marginally improve the underlying bill but it still requires the opt out. It seems to me I've seen legislation proposed by several folks in this legislature attacking companies such as the phone company because they're sending around a flyer now that says unless you notify us within x number of days we're going to change your phone service and we're going to increase your long distance. I got one in January and you know what, I've been here for the last 45 days or so, or 33 days whatever the heck it is and I haven't gotten around to notifying them because I've been busy and guess what my long distance rate at home has gone up. Now I hope I remember when I go home to call those folks and say stop it, I don't want that. But they send me this note saying unless you opt out, we're going to change your phone rate. And again I think some of you have sponsored legislation to that effect. There is a marketing ploy out there that goes like this. First of all there is legitimate folks that market. Reader's Digest comes to mind. Every year if I want to continue my Reader's Digest subscription I have to sit down and check a box, they'll bill me three

months later but I have to send them a card. If I don't send them a card they stop my subscription. Well actually they don't stop it, what they do is they send me five more cards reminding me that if I don't send a card they're going stop my subscription. And then if I never do send a card they do stop my subscription. Well there is another little thing out there called the CD clubs or the record clubs. The way they get you into the whole thing is they send you things and for a penny you can get 10 records or 10 CDs, it used to be records but with the kids right now they're CDs. For a nickel or for a penny you can get 10 CDs of your choice, of your favorite music and everything and so you send your penny in and they send you some CDs. Along with it is a little tiny notification that says if you don't notify us within 10 days we're sending you the next CD and of course it's of some group you never heard of and could care less about. But you get that notice and say well. So I'm notified as this memo will require us to do which is some what over proven but. I get the notification and I say oh yeah yeah I need to do this. I set it with my bills and other stuff, my stack of legislation that I have to read and then it's like darn, a month later the CD that I have absolutely no interest in shows up and of course I'm billed on my credit card for it. And they send another notification saying you better stop this. Well you know this, that's the whole problem with this. We object to opting out of provisions when private enterprise does it. So we're going to have this turned around on its head. You wouldn't allow a business to do this. Now I'll agree the notification is an improvement, but not much.

PRESIDENT: Senator Hargrove.

HARGROVE: Well there is just one more point to remember and that is that initially the employee had to opt in. They didn't just get put in and have to opt out. The initially had to opt in. This kind of reminds me of the story of a wife that was complaining that her husband never told her that he loved her anymore and the guy says I told you once and if it ever changed I'll let ya know. And I think that's basically what we're talking about here. You made the decision to tell her once and it's the same and so unless you tell her something different. And the point is that you'll even get notice to remind you if you want to tell her something different.

PRESIDENT: Senator West.

WEST: Mr. President, the good Senator just made my point.

PRESIDENT: The question before the Senate is adoption number 558. All those in favor will signify by saying Aye, those opposed No....the Ayes have it. The amendment is adopted.